

## EXHIBIT A

**City of Austin**

Financial and Administrative Services Department

**MEMORANDUM**

To Mayor and City Council Members  
Toby Futrell, City Manager

From John Stephens  
Chief Financial Officer

Date April 2, 2007

Re Preliminary Financing Plan for Waller Creek Tunnel Project and TIF

Attached please find the following items that comprise the City's preliminary financing plan for item 28 on this week's Council agenda, the preliminary reinvestment zone financing plan for the proposed Waller Creek tunnel and TIF

- construction and O&M cost estimate update for the tunnel dated October 6, 2006,
- economic analysis paper, describing the methodology used by our consultant to estimate the tax increment the City and County will receive from the development that will occur when the tunnel is constructed and 1 2 million square feet of developable land is removed from the 100-year flood plain,
- proposed tax increment financing methodology through which the County will participate with the City in the TIF – page three is a pro forma of costs and revenues for the project,
- update of the CDS Spillette market study done originally in 2003, which projects the absorption of various types of property (office, retail, residential, hotel) in the Waller Creek area assuming construction of the tunnel, and
- map of the proposed area for the Waller Creek TIF

There will likely be some changes to our financing plan as we continue to refine the numbers and our analysis, and these changes will be incorporated into our final financing plan that the Council and the TIF board will approve later this year

Please call me at 974-2076 if you have any questions about this information or about item 28 on this week's agenda

John Stephens  
Chief Financial Officer